

Strategic Marketing Proposal

Sausalito Hospitality Business Development
Committee

Enhancing the Visitor Experience





Background

- The tourism industry is an important part of the City's economy.
- The city is already a vibrant destination during peak travel season and good weather, drawing visitors from around the world who come to experience the art galleries, restaurants, bars, waterfront, and the Marin headlands. The city is famous both nationally and internationally for the Art Festival held each Labor Day weekend.
- To drive incremental revenue, the Hospitality Business Development Committee is requesting to earmark funds from the increased Transient Occupancy Tax. These funds will be used to create and implement a long-range, strategic marketing plan that will focus on high-revenue visitors during off-peak times, i.e. winter and mid-week, Monday - Thursday.



City Goals

This aligns with the first stated goal in the 2018 – 2020 Strategic Plan :

Utilize long-range comprehensive planning, including land use and transportation, to balance the community's character and diversity with its evolving needs.

And this goal from the 2018 General Plan Update:

Recognizing their importance to Sausalito's economic vitality, encourage businesses and activities that have high municipal revenue generation potential and low environmental impact.

An important metric in the high value/low impact equation is City revenues per hotel key. At the May, 2018 GPAC meeting, it was reported to be about \$12,000 per key, by far the most positive contribution to the City per a visitor.

2010 Economic Survey

**Table 8: Retail and Related Industry Multipliers, Overall Effects of \$1 million in new revenue
Employment, Business Revenue and Tax Revenue**

Industry	Employment	Business Revenue	Indirect Tax
General merchandise	19.95	1.51	0.18
Furniture and home furnishings	13.38	1.51	0.17
Grocery Stores	14.24	1.51	0.18
Sporting goods, hobby, books, and music	18.72	1.51	0.18
Hotels	14.01	1.51	0.24
Building material and garden supply	11.65	1.50	0.18
Motor vehicle and parts	13.37	1.50	0.18
Consumer Electronics	12.26	1.50	0.15
Clothing and clothing accessories	13.06	1.49	0.17
Miscellaneous retail	26.68	1.49	0.17
Health and personal care	14.92	1.48	0.17
Gasoline stations	5.59	1.46	0.16
Direct and electronic sales	15.19	1.44	0.17
Bars and restaurants	18.12	1.44	0.09

Sources: City of Sausalito, IMPLAN[®] and Bureau of Economic Analysis (BEA)

2010 Economic Survey

Table 11: Twenty Industries in Sausalito by Business Revenue, Percent of Totals

Industry or Industry Group	Employment	Business Revenue
Real estate establishments	12.3%	12.5%
Other support services	4.9%	9.2%
Imputed rental activity for owner-occupied dwellings	0.1%	6.6%
Advertising and related services	5.7%	4.9%
State & local gov't, non-education	5.3%	3.0%
Miscellaneous professional, scientific, and technical services	0.5%	2.7%
Investment banking	2.4%	2.7%
Sound recording industries	0.6%	2.6%
Scientific research and development services	2.5%	2.6%
Custom computer programming services	2.5%	2.5%
Wholesale trade businesses	1.6%	2.5%
Management, scientific, and technical consulting services	2.1%	2.4%
Architectural/engineering services	2.5%	2.1%
Computer systems design services	2.9%	1.9%
Management of companies and enterprises	0.8%	1.7%
Electric power generation, transmission, and distribution	0.3%	1.6%
Other personal services	0.8%	1.5%
Hand tool manufacturing	0.7%	1.2%
Construction: new residential structures	1.0%	1.0%
Construction: new nonresidential commercial structures	0.8%	0.9%
Other Non-Retail	25.6%	21.0%
Total Non-Retail	75.9%	87.1%
Retail	8.5%	5.3%
Bars and Restaurants	12.9%	5.6%
Hotels	1.0%	0.6%
Other Tourism	1.7%	1.4%
Total	100.0%	100.0%

Sources: IMPLAN® and BEA



Background

- The Hospitality Business Development Committee created DestinationSausalito.com, funded by the City and designed specifically to attract more mid-week, corporate visitors.
- Destination Sausalito has an active presence on Facebook and Instagram.
- Now it's time to build on the Destination Sausalito foundation, enhance the site to target more sophisticated visitors, to tell the full story of the Sausalito experience and to integrate Destination Sausalito with the city's other marketing initiatives, content and campaigns.



Background

To stay competitive with other coastal destinations in this digital age, The City of Sausalito must undertake sustained, comprehensive and consistent marketing efforts.

In order to generate the revenue needed to bolster the economy, it is necessary to move from short-term tactics and one-off campaigns to a long-range strategic marketing plan.

Target Market

- High Value / Low Impact
- Affinity with Luxury Brands
- Visitors to Napa, Sonoma and Carmel



Five Pillars

To more clearly define the city as a destination, the committee has chosen five key attributes to focus on in marketing campaigns.

- Arts + Culture
- Food + Beverage
- Health + Wellness
- Festivals + Events
- Experiential Venues

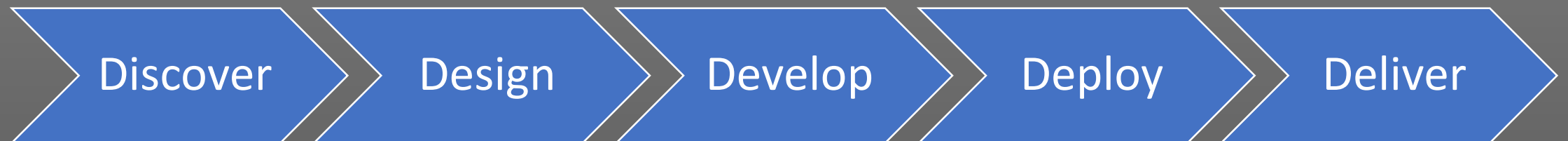
Promoting the Pillars – Two Phase Approach

- The committee is requesting funds to create and implement a three-year strategic marketing plan.
- The committee recommends an integrated approach that weaves together DestinationSausalito.com, VisitSausalito.org and Sausalito.org, along with collateral, guides and other print materials.
- This integrated approach will help to define the Sausalito brand, make it consistent and recognizable across multiple marketing touchpoints.
- From here we will engage in marketing campaigns and sales efforts.



Deliverables: 2019 - 2020

- Documentation of Discovery Phase
- Content Strategy Review, Plan and Curated Content
- Website Recommendations and Updates
- Vendor Vetting, Engagement and Management
- Advertising Recommendations and Campaign Execution
- Festival and Event Recommendations
- Analytics



Budget Request: \$200,000

(\$50,000 FY 19, \$150,000 FY20)

Category	Percentage
Professional and Legal	46 %
Marketing and Advertising	40 %
Website Expense	10 %
Travel	03 %
General and Administrative	01 %
	100 %

Return On Investment

2010 Sausalito Community and Economic Development Study:

- *Restaurants generate an additional \$440,000 for every \$1 million of revenue they create approximately and \$86,100 of tax revenue as well.*
- *For hotels, \$1 million of new revenue creates 14 new jobs, \$510,000 of business revenue for other companies, and approximately \$240,000 in business-related tax revenues.*

Note: The ROI will actually be higher than this because of the increase in TOT and Sales tax. Room key revenue has also increased.